

An aerial photograph of a rugged coastline. The left side shows clear, turquoise water with visible rocks beneath the surface. The right side features a rocky shore with a dense forest of green trees. The overall scene is bright and natural.

# 2022

## **Sustainability Report**

The Meridia logo consists of a stylized, circular emblem made of several curved, overlapping lines that resemble a globe or a flower.

**Meridia**  
Transformative Investments

# **Sustainability Report 2022**



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# Letter to our stakeholders

## Driving sustainable impact



**Javier Faus**  
Chairman & CEO

This past year has been a challenging one, the current global geopolitical situation combined with the tails of the pandemic have resulted in a complex, global economic scenario. Despite the negative effects to the economy, Meridia has reinforced its purpose and has kept growing, supported by our investors and our community.

In 2022, after more than 15 years as Meridia Capital, we undertook a comprehensive corporate image renewal to better align with our purpose. Our new identity reinforces our unwavering commitment to being a transformative agent deeply rooted in our communities. We have diligently worked towards revitalizing our corporate image, striving to accurately reflect our core values. This renewed image seeks to enhance our role as a catalyst for positive change and a generator of sustainable value through our investments.

The year 2022 marked a significant milestone for us as we achieved noteworthy accomplishments. We successfully launched MGP, a dedicated fund of €140M, with the objective of establishing and expanding a platform of open-air accommodation units in the Iberian region. Furthermore, our fourth value-add real estate vehicle, Meridia IV, recently completed its investment period and is currently engaged in several transformative projects, boasting a total investment capacity of over €500M. As part of our commitment, Meridia's Real Assets division will continue to expand, augmenting our assets under management as we invest in and develop environments that cater to the needs of our communities.

In addition, we have continued to assess ESG opportunities in our Private Equity and Venture Capital divisions.

We have continued to reaffirm our purpose, defending that sustainability is of capital importance for the creation of shared value both for Meridia and for society as a whole. Consequently, we present this report, where we include our main initiatives and challenges for the future, and in which we reflect on our performance at an economic, environmental, social and governance level during 2022.

It is clear that positive economic performance deeply relies on the integration of ESG aspects into the strategic core of the company. Therefore, we have developed initiatives that have allowed us to scale up our commitment to sustainability and respond to the needs and demands of our stakeholders.

Although we are aware that ESG is moving fast, we are confident that we will continue to embrace upcoming projects, opportunities and challenges with great enthusiasm. Meridia is well positioned to add value through its investments and in doing so, strengthen the communities in which we live and work. We are proud to have a purpose to our stakeholders and we would like to thank you for your trust and support.

# Letter to our stakeholders

## Our progress



**Paula Piera**  
Investor Relations & ESG

2022 has been a year of expansion in our sustainability commitments, in which we have deepened the integration of ESG aspects into the core of our investment decisions and business practices. Here are some key takeaways of 2022:

We have conducted a **materiality analysis** with a twofold objective: To apply the concept of double materiality in order to understand how Meridia's business activities impact our environment and how those external inputs affect our financial performance and also aiming to elaborate an ESG reporting well-structured by the most relevant issues for the company and for our stakeholders.

We have also reviewed and updated our **Responsible Investment Policy**, consolidating the requirements of the Sustainable Finance Disclosure Regulation (**SFDR**) and establishing a robust reporting framework to provide clear, consistent, and timely information to our investors. We wanted to ensure that our policy includes provisions for reporting on how we comply with SFDR requirements and the impact of investments on sustainability factors. We are glad to highlight the launch, in 2023, of an **Article 8 Fund** according to the requirements of the SFDR, with which we intend to promote environmental and social characteristics through our investments. Additionally, we have adapted our Remuneration Policy to include ESG criteria and incentivize sustainability among our employees.

We have been working to consolidate and systematize the calculation of the **carbon footprint** of our own operations and of our portfolio, aiming to facilitate the road to achieve our targets. However, our goal is not only to strengthen our current monitoring system, but to establish a solid base by which assess further

advances in the matter, as we are **committed to the Science Based Targets (SBTi)** and its mission to tackle climate change.

Finally, we continue to integrate sustainability in our strategy, as shown in many **“brown-to-green” transformation projects** that we are carrying out to convert obsolete assets into the assets of the future. In this sense, in 2022 we have managed to increase the number of assets with sustainable building certificates, getting closer to the objective of **certifying the 100% of our assets** with BREEAM, LEED and/or WELL standards. We also have continued to embed social initiatives in all our investments to create not only environmental, but also social value with our assets.

In conclusion, this report enables us to share our ESG progress throughout the year 2022. By providing targeted comprehensive information, we aim to meet the increasing demand for transparency in the industry. We recognize the importance of engaging with our stakeholders and fostering trust through open and accountable reporting.

Moving forward, we remain committed to advancing our ESG initiatives, continually improving our responsible practices, and further enhancing transparency as an integral part of our business strategy.

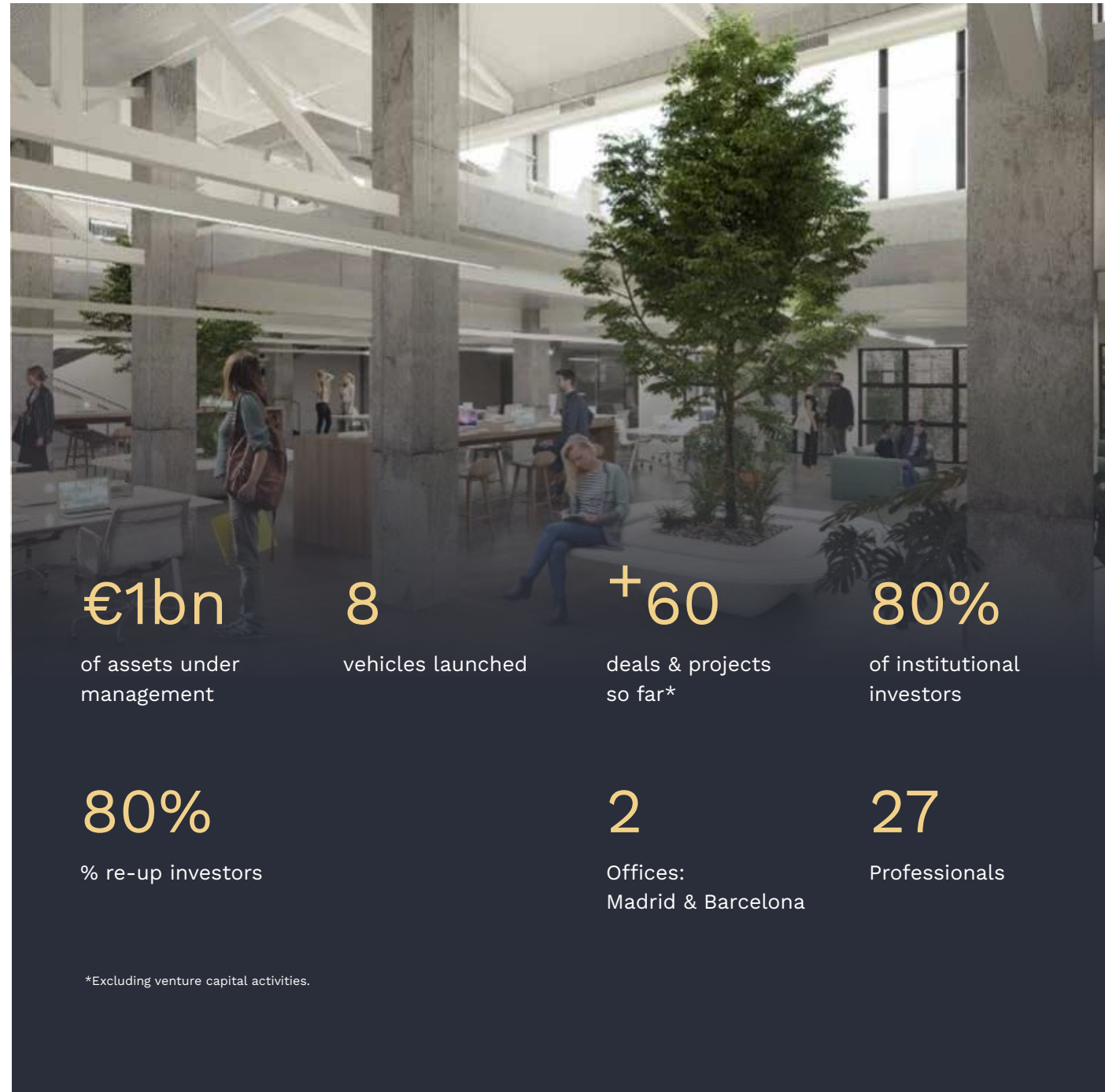


# Meridia at a glance

 **Meridia**  
Transformative Investments

# Meridia at a glance

We are an alternative investment fund manager founded over 16 years ago in Barcelona. Since then, Meridia has grown to become a leading manager investing in private markets in Spain.



€1bn

of assets under management

8

vehicles launched

+60

deals & projects so far\*

80%

of institutional investors

80%

% re-up investors

2

Offices:  
Madrid & Barcelona

27

Professionals

\*Excluding venture capital activities.

# Our main business lines

## Real Assets



### Real Estate

**Solid track record investing and transforming assets in Spain.**



### Glamping

**Turning campings into a sustainable, open air concept with modern design.**



### Advisory Accounts

**A partner on the ground for global institutions.**

## PE / VC

### Private Equity

**We drive the development of leading Spanish companies with high growth potential.**

### Venture Capital

**We promote the innovation economy, investing in the next generation of tech companies through an investment platform created together with Aldea Ventures.**

**aldea**

## Awards & recognitions



Firm of the Year  
Southern Europe



Nominated Firm of  
The Year in Spain



Meridia achieved 2  
Green Financings  
following the Green  
Loan Principles in  
Project Sea and  
Project Smart.



A photograph of a modern building with a glass facade and a rooftop garden. The building has a prominent vertical slat facade on the left side. The rooftop garden features several trees in large planters, benches, and a glass railing. The sky is clear and blue.

# Purpose, values & commitments

# Our purpose

In Meridia, sustainability is at the core of everything we do. We are fully committed to implementing sustainable practices across our operations, products, and services. From minimizing our environmental footprint and promoting resource efficiency to supporting ethical sourcing and fostering social responsibility, we strive to create a positive impact on the planet and society. Our commitment to sustainability drives our decision-making process, and we continuously seek innovative solutions to ensure a more sustainable future for generations to come. Our identity evolves around transformation, innovation, excellence, and trust, reinforcing Meridia's commitment as an active agent of change.

We are committed to the transformation of assets to achieve sustainable economic growth, always seeking to strengthen the community in which we live. Our commitment to transformation is reflected in the results: long-term value creation for our investors and a positive impact on our culture, cities, and community.

We believe that private capital is the key to face the great challenges of society. We are convinced that we can go one step further, creating an ecosystem of value, beyond investors. Through our portfolio, Meridia's commitment is to be an active agent of change, making positive impact in our ecosystem while strengthening local communities.

## Our strategy is based on **four drivers**



# Values

With an active role, discipline, entrepreneurial spirit, and responsible investment, we want to **lead the transformation of today's assets into assets of the future.**

## INTEGRITY

Our investments are analyzed and managed in accordance with the highest ethical values.

## SOCIAL IMPACT

Responsibility is embedded into every decision we make. Careful management of ESG factors is of the outmost importance to the firm.

**We invest to transform**

## EXCELLENCE

We seek to be the best in everything we do.

## ENTREPRENEURSHIP

An agile and flexible professional environment allows us to differentiate ourselves through creative thinking.

# Commitment

To ensure adherence to the highest standards of ESG performance management, we actively endorse several internationally recognized sustainability frameworks to benchmark our ESG performance.

By doing so, we enhance our transparency in showcasing our business performance. Additionally, it enables us to stay abreast of the latest global ESG trends and best practices, empowering us to provide valuable insights that drive ongoing improvement.

## Main supports and memberships



We became a signatory to the United Nations Principles for Responsible Investments (UN PRI) in 2018.

PRI Assessment Scorecard: 2022  
Investment & Stewardship Policy: 86  
Real Estate: 92



We completed the GRESB real estate assessment for the first time in 2021. In Meridia we will aim to improve our overall ESG performance by continuously improving our GRESB rating.



We are a longstanding supporter to the United Nations Global Compact and reported against its principles since 2014.

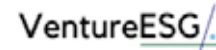


We are working to approach climate challenges incorporating recommendations of the Task Force on Climate-Related Financial Disclosures.

## Other memberships



SPAINCAP is the association that brings together Venture Capital & Private Equity firms in Spain, as well as their investors. As a participant in the UN Global Compact, one of its main objectives is to promote the sustainability of its members and their investee companies.



Venture ESG is a community-based non-profit initiative from VCs for VCs to push the industry on good ESG practices.



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In 2022 we were sponsors and supporters of Level 20. Cristina Badenes, Partner and Head of IR, Chaired the Spanish Chapter.



Contribution  
to the  
sustainable  
development  
goals

# Our contribution to the SDG

Our firm is fully committed to the Sustainable Development Goals (SDGs) set by the United Nations.

We recognize the urgent need to address global challenges such as inequality, and Climate Change. Through our operations and initiatives, we aim to contribute to the achievement of the SDGs and create a more sustainable future for all. After a careful analysis of the SDGs, our stakeholders, our ESG strategy and our Responsible Investment Policy, Meridia is focusing on three Goals where it can best deliver opportunities and minimize risks through its activities and corporate strategy:



## Achieve gender equality and empower all women and girls

Meridia has an especial focus on diversity, as such, gender inclusion is at the top of our agendas.

Ensuring women's full and effective participation and equal opportunities for leadership at all levels of decision-making is key to achieve the goal, as such, we have been measuring women proportion and assuming a nongender-pay gap policy for several years.

**Over 50%**

of Meridia's employees are female.

**44%**

of executive positions are women.



## Make cities and human settlements inclusive, safe, resilient, and sustainable

Meridia has the opportunity to design more inclusive, efficient, and sustainable buildings. Through our asset investment strategy our focus is to reduce environmental impact and support local communities. Examples include: measuring and reducing waste generation, using renewable and local building materials, designing buildings that integrate with the local environment, and promoting job creation and activities within the local areas where assets are being developed.

**64%**

of Meridia IV's assets are certified by the BREEAM, LEED and/or WELL standards.

Meridia has a target to achieve BREEAM or equivalent certificates in **100%** of all real estate assets



## Take urgent action to combat Climate Change and its impacts

Meridia is actively and thoroughly integrating Climate Change into its investments. We have an unequalled opportunity to act against Climate Change. For this reason, Meridia has implemented initiatives to tackle climate impacts, such as the following:

- Implement energy efficiency measures in all investments.
- Reducing water consumption in all investments.
- Reducing CO<sub>2</sub> emissions in all investments.

We are committed to the **SBTi** and its mission to combat climate change.



# Management & governance structure

# ESG governance

Meridia has implemented its ESG policy and principles within its funds management activities and internal corporate operations.

In order to facilitate integration of ESG factors in its operations, Meridia has the following governance structure and processes:

## Board of Directors

Ultimately supervises all ESG decisions, oversees the implementation of all actions and is therefore directly accountable for the implementation of the ESG strategy.

## Sustainability Manager

Responsible for the implementation and evaluation of the Responsible Investment Policy, for the implementation and coordination of environmental initiatives and certifications within the organization.

## Compliance Unit

Regularly reviews the procedures to prevent, detect, rectify, and minimize risks of sanctions, material financial loss or reputational loss because of violating any laws and regulations or breaching the Code of Conduct.

## Performance Evaluation

Involvement in ESG issues of Meridia's employees is evaluated annually in their performance evaluation. The variable remuneration is aligned with and depends on the results, and an element that is also assessed is the integration of sustainability risks into employees' investment analysis and decision-making tasks.

Additionally, Meridia also secures the services of **external advisors** for specific matters, when necessary, to incorporate the best practices at the time of designing policies and procedures of ESG and in the measuring and auditing ESG KPIs, among others.

“Beyond good governance, we constantly seek for strengthening our foundation on ESG management”

Elisabet Gómez  
Head of Legal & Compliance





# ESG Committee

The ESG Committee is led by Javier Faus, Chairman & CEO, coordinated by Paula Piera, Sustainability Manager, and formed by members from different business units, aiming to spread sustainability to all Meridia's activities. It meets monthly with the aim of having sustainability perfectly integrated in all Meridia's business activities.

## Main functions

- Preparing and updating the Responsible Investment Policy.
- Creating and reviewing the corporate ESG strategy and its embedment in the different business lines and investment programs.
- Defining processes and measures to integrate responsible investment practices in the different business lines and investment programs and reviewing their constant update and improvement.

The ESG Committee reports biannually to the Board of Directors, which is the ultimate supervisor of all ESG decisions.

## Structure



**Javier Faus**  
Chairman & CEO



**Paula Piera**  
Investor Relations & ESG



**Zulema Canosa**  
Real Estate Asset Management



**Anna Castan**  
Meridia Glamping Program



**Elisabet Gómez**  
Head of Legal & Compliance



**Victor Iborra**  
Partner, Real Estate



**Jaime Monzó**  
Real Estate Project Management



**Jose Luis Raso**  
CFO & Risk Management

# Materiality analysis

# Materiality analysis

Materiality assessment is aimed to help us focus on the most significant sustainability issues, engage stakeholders, enhance transparency, and drive performance, leading to improved business resilience.

Moreover, materiality assessments support our understanding of the risks and opportunities associated with sustainability, which have a significant impact on the organization's financial performance, reputation, and long-term viability. This allows us to allocate our resources and investments more effectively and efficiently, reducing costs, improving operational efficiencies, and enhancing our social and environmental impact.

Among the increasing complexity and disclosure requirements from regulators and stakeholders, nowadays the sustainability reporting framework is being defined by the concept of **double materiality**, which entails analyzing both the organization's impact on the environment and society (inside-out approach or impact materiality) and the impact of certain issues on the organization's value creation potential (outside-

in approach or financial materiality). This has been central for the evolution of the Non-Financial Reporting Directive (NFRD) in the EU and is currently being reviewed by the Corporate Sustainability Reporting directive (CSRD), as well as by the European Financial Reporting Advisory Group (EFRAG). It is also crucial for the most recognized non-financial reporting standards such as the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD).

To find out which sustainability topics are material to Meridia, a shortlist of 20 ESG issues was elaborated prior to the in-depth analysis. Then, each issue was assessed by its relevance to Meridia Capital's activities, following the concept of double materiality explained above and its methodology:

## ESG prescribers



## Sector prescribers



### Impact materiality / external relevance:

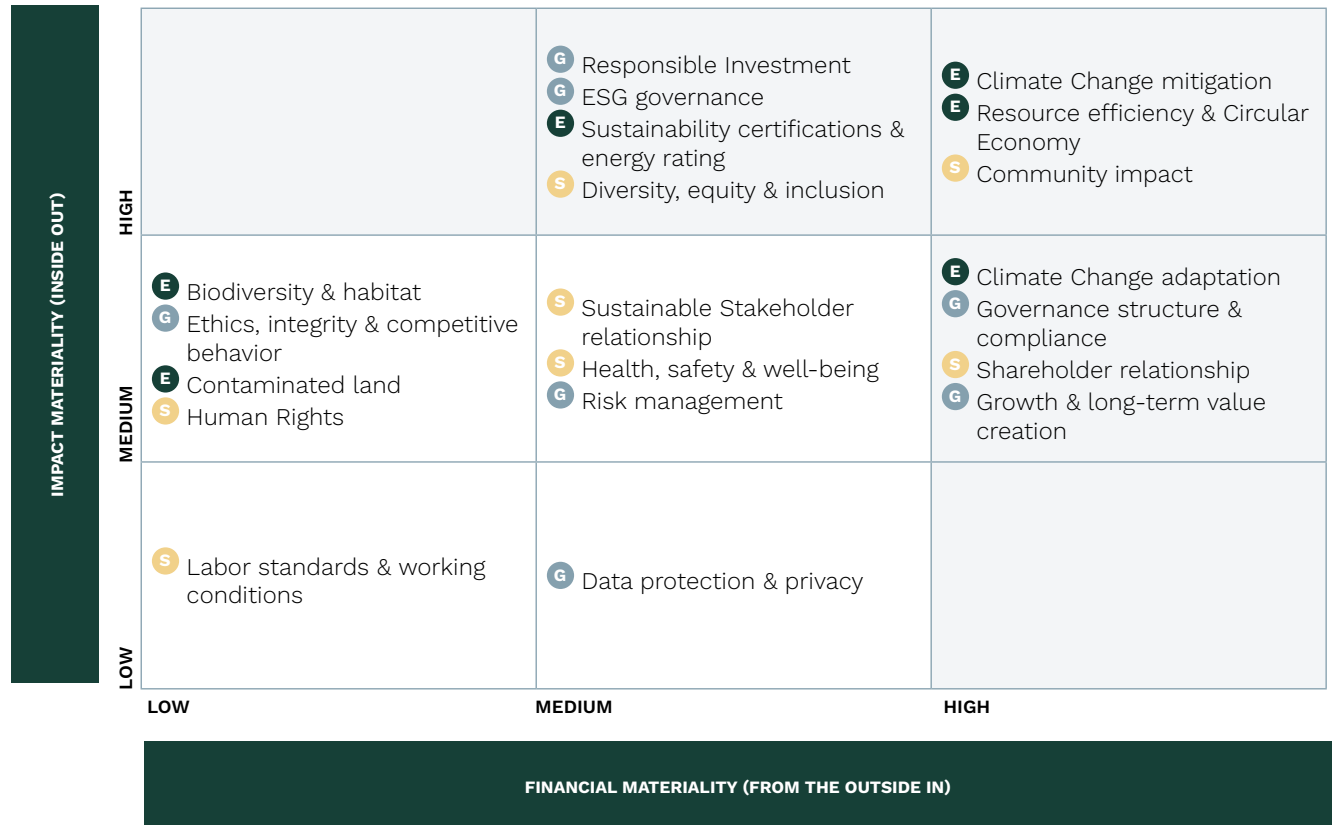
peer benchmark, ESG prescribers (SDG, PRI, MSCI, SASB, GRESB), and sectorial prescribers (INREV, EPRA) were used to address how our activities could impact society and environment.

### Financial materiality / internal relevance:


the shortlist of sustainability sensitive issues was also addressed by an internal perspective, by which we assessed how those potential impacts could financially affect our business.

Once the relevance of each sustainability topic was calculated, weight was assigned to each input. Based on this ponderation, the final materiality matrix is elaborated, allowing us to identify those sustainability topics material to Meridia Capital and its business activity.

Additionally, we have assessed the material topics for our different kind of real estate assets, aiming to enhance the general picture of our business activity and deepen our knowledge on our impacts.



- E Environmental
- S Social
- G Governance

A photograph of a white building with a wooden frame on a grassy hillside. The building has a flat roof and is supported by several wooden posts. The hillside is covered in green grass and some rocks. The sky is clear and blue.

# Integration of responsible investment in the investment lifecycle

# Endorsement of the principles of responsible investment

As institutional investors, we have the duty to act in the best long-term interests of the beneficiaries. In this fiduciary role, Meridia believes that ESG issues can affect the performance of investment portfolios.

In this fiduciary role, Meridia believes that ESG issues can affect the performance of investment portfolios. Meridia, as signatory of the UN PRI, recognizes that applying these Principles may better align investors with society broader objectives. Therefore, where consistent with the fiduciary responsibilities, Meridia commits to the following Principles:

**Principle 1:** Incorporate ESG issues into investment analysis and decision-making processes.

**Principle 2:** Be active owners and incorporate ESG issues in the exercise of our ownership practices and policies.

**Principle 3:** Seek appropriate disclosure on ESG issues by the investee's entities.

**Principle 4:** Promote acceptance and implementation of the Principles within the investment industry.

**Principle 5:** Work together to enhance our effectiveness in implementing the Principles.

**Principle 6:** Report on our activities and progress towards implementing the Principles.



# Key phases on ESG integration in the investment process

As part of Meridia's active ownership strategy, ESG aspects are entirely integrated into the investment life of their projects to achieve long-term value creation.

Our Responsible Investment Policy covers 100% of Meridia's assets under management and is integrated into all investment phases.



## 1. Origination

As a first step for the investment procedure, investment teams verify that the assessed company or project does not engage in any of the excluded activities. Meridia follows the exclusion list of the World Bank's International Finance Corporation and that of the European Investment Bank.

Additionally, Meridia does not invest or partner with stakeholders that are not likeminded, particularly those related to the following illegal or controversial activities, which are excluded from the universe of potential investments:

- The production or distribution of tobacco and tobacco-related products.
- Companies related with controversial weapons (anti-personnel mines, Biological and chemical weapons, or Cluster Munitions).
- Gambling.
- Any resulting in the limitation of the individual rights or freedoms of individuals, or Human rights violations.
- Stakeholders not in compliance with UN Global Compact principles and that do not consider legally required elements.

## 2. Materiality Analysis & Due Diligence

Meridia works with external service providers and industry experts to review and assess the relevant information to ultimately reach valuation and investment decisions. All material ESG factors, sustainability risks and adverse impacts, as well as those likely to be material, are identified and considered as part of its investment decision making framework.

As previously explained, in the due diligence process, prior to the selection of assets, Meridia will consider the environmental and social impact of the assets in which it may invest. Additionally, it will conduct an ESG materiality analysis to identify key sustainability problems, risks, and opportunities that potential assets subject to investment may present.

A specific ESG Due Diligence will be carried out based on the aspects identified in the materiality analysis, which additionally may include:

- Analysis of performance on key issues and indicators.
- Identification of actions and capex plans to improve on selected indicators.
- Determine monitoring plan of key indicators.
- Identification of cost-effective environmental improvements to future proof the value of assets.





### 3. Investment Decision & Contract Formalization

With regards to assets: the Investment Committee relies on key results of the previous ESG materiality analysis and due diligence, which are integrated in the Investment Memorandum and ensures the alignment with Meridia's Responsible Investment Policy. Investments with suboptimal ESG can be quickly improved by defining an ESG roadmap during the holding period.

With regards to tenants: we acknowledge the need to engage with our tenants in order to manage the broader environmental and social impacts of their business operations. Therefore, a series of clauses related to ESG issues are included, aiming to drive improvement and limit negative impacts.

With regards to construction companies: when selecting construction companies, we ensure that they share the values and practices of Meridia's Responsible Investment Policy and that they consider the relevant sustainability issues in real estate assets. It will also be ensured compliance with labor legislation and inclusion of decent labor practices, work conditions, and respect for human rights principles.

With regards to property or facility managers: when assessing property or facility managers, we seek clear and detailed expectations of ESG issues, climate risk factors (risk & performance) and monitoring to be included in the service agreement. Once a property or facility manager is accepted, an evaluation is made to prove that the company is efficient and has an ISO.

### 4. Portfolio management

We undertake periodic monitoring of relevant ESG metrics at asset and portfolio level.

To ensure integration of ESG factors across all assets and the consecutions of sustainability targets, we engage with real estate tenants on energy, water consumption and/or waste production, among others, to ensure ongoing improvement of the data collected and at the same time guaranteeing duly disclosure for investors on such topics. Monitoring and reporting of the relevant ESG KPIs is done at least on a quarterly basis by property or facility managers and/or tenants. Meridia gives constant support when collecting quantitative and qualitative data to measure and assess the ESG performance of assets.

– Environmental:

- Energy and Resource efficiency.
- Environmental footprint & Climate Change.
- Green Building Certification.
- Construction, renovation & refurbishment.

– Social:

- Human resources management.
- Community relationships.

– Governance:

- Promote Human Rights throughout the entire value-chain.
- Ensure fair, transparent, and tailored negotiations.
- Guarantee data protection and privacy.
- Promote an ethical business environment.

### 5. Exit

Meridia recognizes the importance of long-term value creation since the investment life doesn't end with our exit from assets or investments. That is why we want to make a difference by developing and repositioning investments, guaranteeing that they do not become obsolete over the long term, and willing to leave improved assets and surroundings.

When an asset has achieved the exit readiness phase, the investment team performs an assessment and evaluation of the asset through the ESG performance records, with the objective of capturing the additional ESG value generated during the investment period.



# Our impact

 **Meridia**  
Transformative Investments

# Our impact

In 2022 we reinforced the consolidation of our indicators and monitoring systems in order to improve data collection and further calculations of KPIs and other metrics that allow us to better understand our performance on environmental, social, and governance issues.

The following information focuses only on Meridia's indicators in its main vehicles in investment in Real Assets: Meridia IV and Meridia Glamping Program.

## Meridia IV:

- 2019
- Equity of +€250m
- Value-add Real Estate



## MGP:

- 2022
- Equity €140m
- Building a consolidated and unique premium platform on the Iberian Peninsula



## Meridia IV

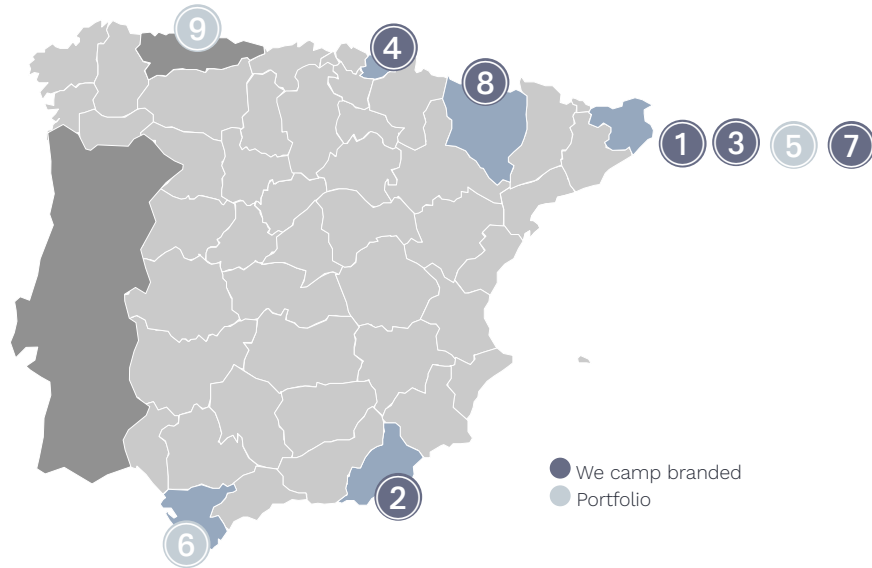
Diversified portfolio in real estate investment with strategies concentrated in the most liquid markets.



Project Nest	Partnered with B&B Hotels group to develop a platform of budget hotels with high ESG standards in Spain. The four properties to be developed will have a total of over 500 rooms.
Project Milanesado	Two office buildings located in Barcelona. The assets have a total surface of 5,490 sqm and 44 parking spaces.
Project Xamenes	c. 37,000 sqm of industrial land acquired in March 2023 located in Barcelona's first logistic ring. The area is a sought-after logistic hub, with strong demand for modern ESG compliant assets.
Project Caterina	Corporate apartment rentals in the most relevant business areas of Madrid, Barcelona, and Málaga. Meridia IV owns a stake in the operator and is starting to invest in some assets.
Project Stone	The building, formerly an industrial asset in Barcelona, has over 3,500 sqm + terraces and is currently undergoing a brown to green renovation process to be transformed into a unique office complex in a highly demanded area.
Project Glam	Initiated in Meridia IV but exited as Meridia Glamping Program, where Meridia IV continues as investor.
Project Uptown	Two office buildings located in Barcelona. The assets have a total surface of over 4,000 sqm and 9 parking spaces. Brown to Green renovation.
Project JC 22	Office building acquired in December 2021, located in Madrid's Madbit district, the innovation and technological hub of Madrid. The asset has a total surface of over 20,000 sqm.
Project Barbera	c. 20,000 sqm industrial asset acquired in March 2020, located in Barberà del Vallès, a prime industrial area within the first ring of Catalonia's sought after and top-rated logistics market.
Project Swiss	Office building acquired in March 2021, consolidating Meridia's position in Barcelona's technological hub. The asset has a total surface of 4,300 sqm plus parking.
Project Hotel Maritim	4-star hotel located in Barcelona's sea front area. The asset has 84 rooms split across c. 5,800 sqm.
Project Black	Four office buildings, two located in Madrid and two located in Barcelona, acquired in November 2019. Total surface area of the assets is 26,323 sqm. The main asset is a c. 7,000 building in Barcelona's 22@ district.
Project Cronos	First investment of Meridia IV, closed in October 2019, an office building located in Madrid's MadBit district. The asset has a total surface area of over 9,500 sqm.
Project Cold	A 23,000 sqm logistics platform located in Gelida, close to Barcelona. The asset was divested in December 2022 upon completion of brown to green refurbishment actions to reposition the asset.

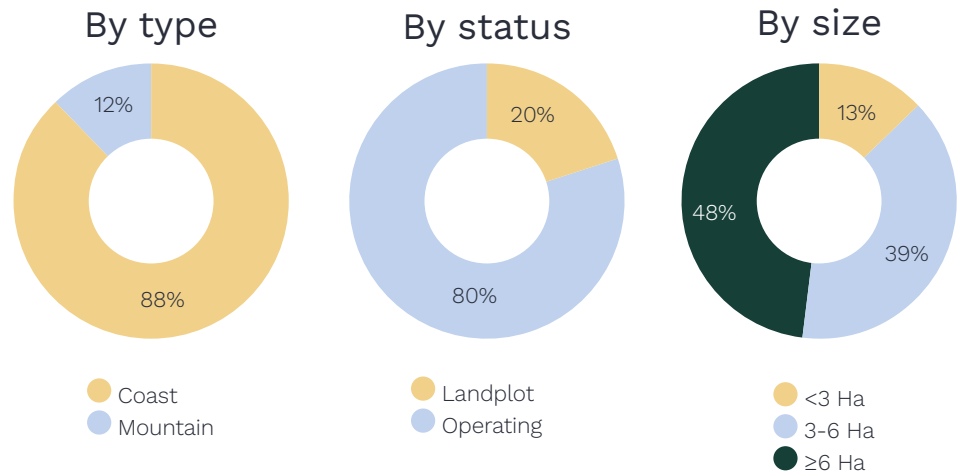
# MGP

Rolling out a scalable programmed to build a consolidated and unique glamping platform in Iberia.



Site	Total Units	Ha
① Santa Cristina	186	6.0
② Cabo de Gata	189	5.0
③ Cala Montgó	498	10.0
④ San Sebastián	282	6.0
⑤ Empordà	114	3.4

Site	Total Units	Ha
⑥ Cádiz	72	6.5
⑦ Cadaqués	141	2.7
⑧ Pirineos	226	5.8
⑨ Cudillero	144	2.0
<b>Total</b>	<b>1,780</b>	



# Environmental

We seek to minimize our corporate environmental footprint by engaging in environmentally responsible initiatives.

## Internal Management

We seek to minimize our corporate environmental footprint by engaging in environmentally responsible initiatives. We build environmental awareness internally and we have actioned several initiatives which support our environmental principles:

- Continuous internal recycling programs and minimization of paper product usage.
- Promotion of a plastic-free environment.
- Development of energy efficiency operations.
- Promotion of green transportation measures among employees.
- Calculation of Meridia's corporate operations footprint.



## Portfolio Management

From a portfolio management perspective, our goal is to sustain a portfolio that demonstrates resilience amidst the ongoing challenges posed by the Climate Change. Additionally, we strive to optimize resource use while minimizing our environmental footprint. To achieve this, we adhere to a rigorous environmental due diligence process, ensuring a comprehensive assessment of environmental risks and issues associated with prospective acquisitions. Simultaneously, we actively seek out new opportunities that can enhance the environmental performance of our assets

### Road to Net-Zero

In Meridia, we are committed to the Science Based Targets initiative (SBTi) and its mission to combat climate change through ambitious and measurable goals, starting its application in Meridia IV. We understand the urgent need for collective action to address environmental challenges, and as a result, we have embraced the SBTi framework to build a solid base for further setting of science-based targets for reducing greenhouse gas emissions.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

### Green lease clauses

As a mean to drive improvement among tenants, we have implemented the inclusion of green lease clauses, while adapting to serve their needs and sustainability priorities. The clauses included cover the following topics:

- **Protection of environmental risk:** measures relating to the protection of the environment.
- **Management and Reciprocal Information on Energy Consumption:** improving the energy and environmental performance of assets and guaranteeing the provision of data and information on their consumptions and/or emissions.
- **Waste Separation:** improving waste recycling and reduction measures and commitments.
- **Waste Reduction:** reducing waste by avoiding single use and plastic packaging and prioritizing fresh food.
- **Sustainable public services:** installation of low- and zero-carbon technology and alternative energy sources.
- **Biodiversity:** enhancing the biodiversity of the assets and their surroundings.
- **Raw materials:** elaborating menus preferably with fresh, seasonal, and proximity food.
- **Social Value:** commitment with society.



## Sustainability certifications & energy rating

To integrate and promote sustainable practices into our building operations, we are proactively expanding our green building portfolio by obtaining internationally recognized certificates for our assets.



MGP

5

Biosphere, Sleep Friendly, Starlight and BREEAM

33%

assets with sustainable buildings certificates.

Meridia III

14

BREEAM, LEED and WELL

83%

assets with sustainable buildings certificates.

Meridia IV

7

BREEAM, LEED and WELL

64%

assets with sustainable buildings certificates.

We have established the target of having **100%** of our assets environmentally certified\*

\*As of 2022, targets refer to Meridia IV, MGP and the upcoming vehicles of the management company.

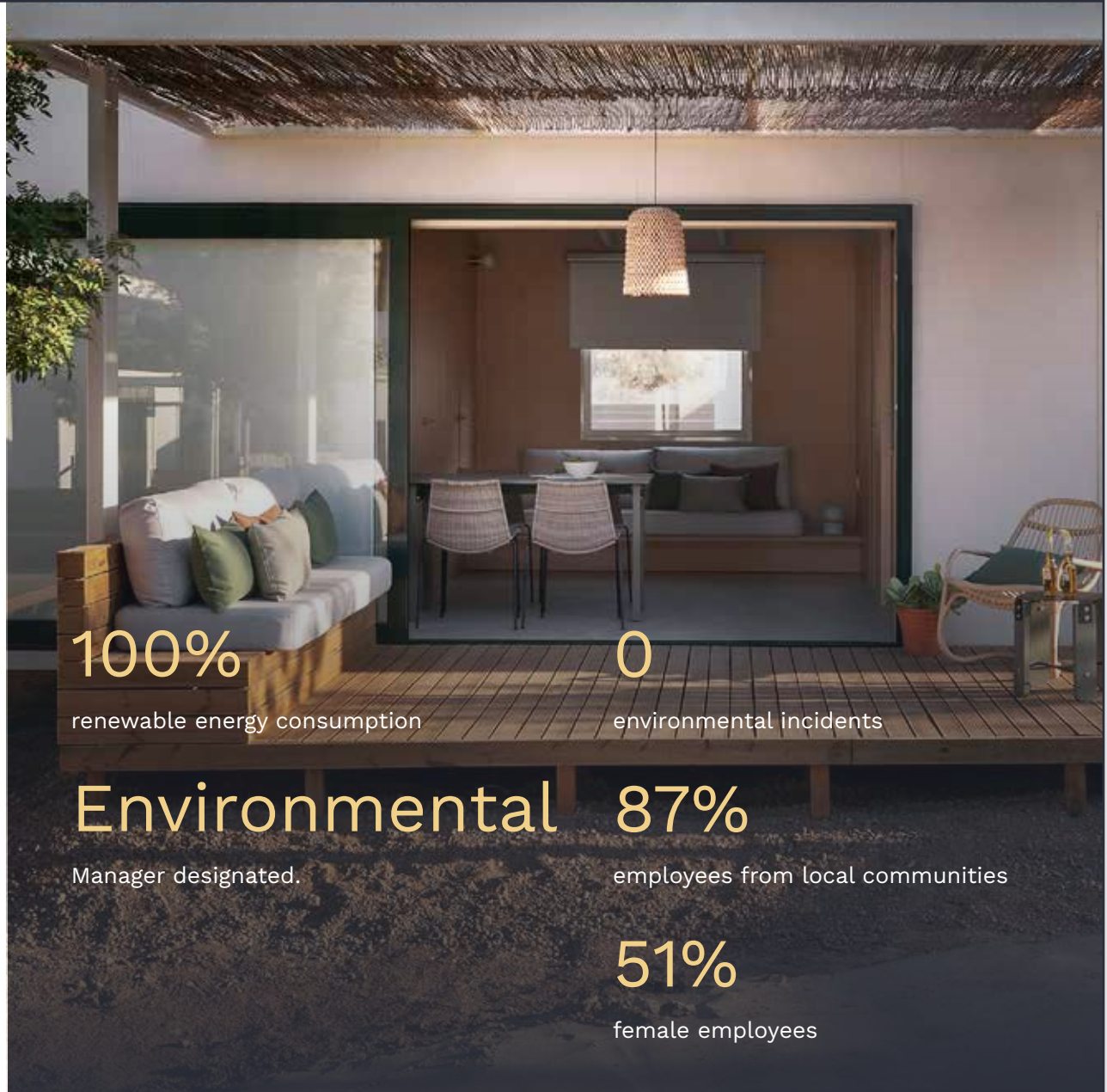


## Case Study

### Wecamp Cabo de Gata obtains Biosphere Certification

Wecamp Cabo de Gata, pioneer in sustainable tourism, is now Biosphere Certified, the leading international hospitality certification, based on its alignment with the SDGs and the 2030 Agenda. This certificate aims to promote sustainable practices in the tourism industry by recognizing businesses and destinations that meet certain environmental, social, and economic criteria. It has been awarded to our asset demonstrating our commitment to sustainable tourism practices, including environmental conservation, cultural preservation, and social responsibility.

Wecamp Cabo de Gata also has a BREEAM and Starlight certification.



**100%**  
renewable energy consumption

**0**  
environmental incidents

**Environmental** **87%**  
Manager designated. employees from local communities

**51%**  
female employees

## Transforming cities: Brown-to-Green

Transformation and refurbishment of assets is at the core of our investment strategy. Here are some **examples of green asset requirements** we follow, in order to meet future standards and not be exposed to obsolescence:



### Energy

- Reduce greenhouse gas emissions
- Reduce fossil fuel energy
- Install advanced energy metering
- Energy certification – EPC A or B
- Comply with energy standards
- Light pollution reduction

### Water

- 50% water reduction system
- Install permanent water metering
- Target rainwater harvesting system in new development
- Native vegetation (low water consumption + efficient irrigation)

### Material & Waste

- Develop and implement a construction and demolition waste management plan
- Reduce landfill waste by 50% in refurbishments
- Over 60% of the waste produced by assets in operations recycled
- 10% of materials used in refurbishment and new developments extracted or acquired responsibly
- Promotion of recycling during the construction and operation
- Reduce disproportionate burden of landfills and incinerators

### Social Aspects

- Green lease clauses to tenants
- Neighborhood development
- Promote public transport and bicycle facilities to reduce parking footprint
- Provide green outdoor areas for users
- Promote physical, educational, and cultural activities for the community
- Tenant survey satisfaction

## Brown to Green Case Studies

### Project Swiss: Full Brown to Green transformation of an office building in Barcelona.

Meridia acquired MidTownBCN (Project Swiss) in March 2021. The asset, located in Barcelona’s innovation district, 22@, showed great potential but faced significant risks of ESG obsolescence. To address these concerns, Meridia embarked on a comprehensive renovation project, focusing on three key aspects: energy efficiency, construction efficiency, and social impact.

The renovation project resulted in significant improvements in ESG compliance and energy efficiency credentials. Additionally, particular attention was given to enhancing the social aspects of the building. The ground floor, for example, was transformed into a collaborative and versatile space, featuring various areas such as a rest and waiting area, glass-enclosed meeting rooms, a projection area, open meeting spaces, a collaborative work area, and a relaxation zone. Furthermore, an impressive rooftop terrace was added to the asset, providing common areas, pergolas with rest and leisure spaces.

As a result of these efforts, the building has achieved a LEED Platinum pre-certification, demonstrating its adherence to rigorous sustainability standards and green building features. Additionally, the asset has obtained an EPC A rating, further highlighting its commitment to energy efficiency.

Meridia’s transformation of MidTownBCN showcases a successful conversion from a brown building to a green one. By prioritizing energy efficiency, construction efficiency, and social impact, Meridia has revitalized the asset, ensuring its long-term sustainability.

EPC A



Energy Consumption	28 kWh / sqm
Yearly Emissions	5 kg CO <sub>2</sub> / m <sup>2</sup>

## Brown to Green Case Studies

### Project Uptown: Upper Sarrià, designed for people

Upper Sarrià is designed for people, a property that has been completely renovated to offer its users optimal convenience and comfort. Two buildings linked through the ground floor with a GLA of 3,826 sqm. It has an excellent central courtyard and private terraces where people can work, enjoy and relax. The ground floor is a versatile space with a flexible work environment, collaborative spaces, meeting rooms, booths for the most private conversations and a coffee corner, where inspirational events, talks or conferences can be held.

Upper Sarrià has been designed and optimized for maximum comfort and boasts efficient energy saving features and LEED Gold certification.



**A Certification for energy emissions**

**B Certification for energy consumption**



#### Uptown and Swiss key sustainable characteristics

66% of water consumption saved

75% of waste derived from landfill

52% energy saving

-23% CO<sub>2</sub> emissions reduction

Parking for bikes and scooters

75% of construction materials from previous building

-10% reduction of environmental impacts

>20% low impact materials

Biophilia: implementation of sustainable measures on the building plot

## Climate Change mitigation & adaptation

Embracing Climate Change mitigation measures presents Meridia with more than just an ethical and environmental imperative; it also opens a strategic opportunity to spearhead the transition towards a low-carbon economy and actively contribute to a sustainable future. As the impacts of Climate Change become more pronounced, we need to anticipate and respond to the challenges it presents. Implementing adaptation measures allows us to build resilience and minimize the risks associated with changing climate patterns.

MGP	Meridia IV
100% assets with landscape study	411 Total emissions (tnCO <sub>2</sub> e)
0 environmental incidents	9 Emissions Scope 1 (tnCO <sub>2</sub> e)
	185 Emissions Scope 2 (tnCO <sub>2</sub> e)
	217 Emissions Scope 3 (tnCO <sub>2</sub> e)
	0 environmental incidents



## Circular economy & resource efficiency

Circular economy is crucial for optimizing resource efficiency, reducing waste, and creating sustainable, resilient, and value-enhancing properties.

MGP	Meridia IV
46% renewable energy consumption	1,471 MWh energy consumption
37% recycled waste	0.6 tons of waste generation
	0.6% renewable energy consumption
	80% recycled waste
	9,856 thousands of litres of water consumption



# Social

It is our constant belief that our employees comprise the core of our business.

## Our People: Internal Management

It is our constant belief that our employees comprise the core of our business. Therefore, Meridia strives to maintain a healthy, engaged, and connected workforce such that we all share the same values in advancing innovation and pursuing sustainability.

Meridia will support a high level of socially acceptable and equitable standards in its internal operations and will promote respect for and protection of Human Rights, safety, and healthy work conditions:

- Providing continuous training to employees.
- Prioritizing health and wellbeing at workplace.
- Committing to several organizations that foster positive social impact.



## Diversity, equity & inclusion

52%

employees female



48%

employees male

44%

executives female



56%

executives male

We understand that diversity brings broad perspectives that lead to better decision-making, and hence we select partners and employees according to their skills and potential irrespective of their gender, ethnicity, or any other minorities.

## Staff Development

We recognize that our 27 employees are the most important asset and resource in advancing innovation and will create new opportunities for them to contribute to our efforts.

Meridia's agile and flexible professional environment enables an entrepreneurial and creative culture. We strongly encourage personal accountability across every level of the organization.

Meridia employees have objectives and performance feedback provided on an ongoing basis, also based on ESG objectives and ESG performance, which are relevant criteria when addressing variable remuneration as stated in the Policy.

## Staff training

We aim to foster a culture of continuous learning and personal growth within the organization. We believe that by equipping our employees with the necessary skills and knowledge, we can create a stronger, more sustainable future for both our company and the communities we serve.

Our commitment to employee development is evident through our monthly training program, accessible to all members of our organization: Meridia offers a diverse range of training designed to enhance the skills and knowledge of our employees. These programs are facilitated by both external experts and internal professionals who are well-versed in their respective fields.

At our company, we place great emphasis on training and nurturing our employees in various key professional areas. Communication skills, compliance, and sector-specific knowledge are among the focal points of our training initiatives. We believe that equipping our workforce with these essential competencies not only enhances individual growth but also contributes to the overall success of our organization.

### Selected trainings during 2022 include

– Environmental Net Zero Training

– Cybersecurity

– SFDR

– Urbanism



On ESG, in addition to Meridia's monthly training, all employees must undergo a training from the PRI Academy: Understanding Responsible Investment, exploring responsible investment principles to illustrate ESG materiality, and introduces key strategies for identifying and managing ESG risks and opportunities.

During 2023 we plan to conduct trainings on incorporating ESG aspects into each asset business plan.

As we transition into the year 2023, we are proud to report that our staff has actively acquired skills that align with Meridia's strategic objectives. One area that has garnered significant attention is environmental awareness, and we have prioritized the development of this aspect among our team. Our comprehensive ESG (Environmental, Social, and Governance) training has played a central role in promoting sustainability and responsible practices.



## Wellbeing

We prioritize health and wellbeing across its workplace. We have implemented multiple initiatives to support the physical and mental wellbeing of our employees, some of them especially reinforced because of the COVID-19 pandemic.

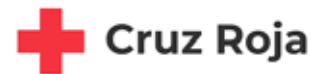
Wellbeing
Encouraging free green transportation (bikes)
Encourage and organized group sport activities
Flexible working policies
Providing seasonal fruit and complementary lunch options
Promoting a plastic free environment
Health training: such as mandatory first-aid training to all employees
English lessons
Team voluntary work



## Social initiatives

Over the past months we have embraced community initiatives by committing our time and resources to local non-profit organizations. Both Meridia and its portfolio assets have collaborated with several institutions:

Social initiatives
Fundación Pere Tarrés
Hospital San Joan de Deu, Barcelona
Banco Alimentos Gavà managed by Cruz Roja
Asociación FAGA
A Violet Point has been created along with the city hall.
Mentoring participation in the “Talent a les aules” program promoted by Gavà and Viladecans city hall
SOS Galgo
Asociación pulseras Candela
Asociación Animales sin techo



## Portfolio Management

As a dedicated real estate investor, we deeply committed to fostering strong and vibrant communities by prioritizing sustainable development, engaging with local stakeholders, and investing in projects that promote social and economic growth.

### Adding value to our communities

One of our greatest commitments is with the communities to which our assets are directly related. As a result of transforming our assets, Meridia can design more inclusive, efficient, and sustainable buildings, contributing to create better communities. Through our asset investment strategy, our focus is to reduce environmental impact and support the local economy and the cities we invest, adding value to local communities.

#### MGP

100% assets with security & health systems

5 work accidents

44% female employees

+€1m estimated to enhance asset surroundings in landscaping

76% of employees hired from local communities



25%

of the tenants of the **Meridia IV fund's assets** are dedicated to socially positive activities such as education and health.

## Case Study

### Project Cronos: Value through a social tenant

**Cronos stands as a restored office building in Madrid’s MadBit district, offering modern amenities and attractive features. The leasing partnership with Hipatia Education exemplifies the building’s versatility and its role in supporting education and community engagement. Cronos serves as a hub for both professional development and cultural enrichment, making it a valuable asset within the district.**

Cronos is an office building situated in Madrid’s vibrant MadBit district. The asset underwent a complete restoration in 2021, revitalizing its appeal and functionality.

With a gross leasable area (GLA) of 10,000 sqm, Cronos offers ample space for various purposes. The building boasts a practical 200 sqm roof terrace, providing an outdoor area for relaxation or gatherings. Moreover, it provides convenient parking facilities with over 200 parking spaces. The asset also features inviting common areas, including a lobby with a generous free height of over 5 meters, creating an open and welcoming atmosphere. Furthermore, an area dedicated to exercise bikes has been incorporated exclusively for the enjoyment of the property’s occupants, promoting health and well-being.

In 2022, Meridia finalized an agreement with Hipatia Education, an esteemed educational institution affiliated with the CEAC group. Through a long-term contract, they have secured 6,000 sqm of space, spanning four floors, as well as a retail shop.

Hipatia Education specializes in training and developing professionals within the education sector. By providing a dedicated space for student teaching and learning, Cronos contributes to the education of the community while fostering the intellectual and personal growth of students and stakeholders. Additionally, educational institutions often organize events, conferences, exhibitions, and other activities that enrich the cultural and intellectual life of the community.



# Governance

Governance and compliance are crucial for real estate investors to ensure transparency, mitigate risks, and maintain ethical practices while maximizing returns and fostering trust among stakeholders.

## Internal Management

### Shareholder Relationship

#### General Investors Meeting

Once a year, Meridia carries out a General Investors Meeting for each of its funds.

#### Advisory Committee

Each fund has an Advisory Committee in which main investors are included and meets at least twice a year. The function of the Advisory Committee is to review and discuss questions related to the investment policy and other specific stipulated rights and obligations

#### Annual General Meeting

Our funds also hold an Annual General Meeting that is held right after the closing of the accounting period.



## Ethical Business & Practices

We are committed to adhering to the highest standards, principles, and safeguards of transparency throughout its activities. The company is dedicated to maintaining ethical performance and integrity in its decision-making and management processes.

- Actively supports the United Nations Global Compact and is a member of UN PRI, and annually reports against both initiatives reporting frameworks.
- Prevents any kind of unethical practice by stakeholders as declared in the Anti-fraud policy.
- Meridia contributes to the UN Convention Against Corruption and the OECD Anti-Bribery Convention Bribery and corruption and has implemented anti-bribery and corruption policies to ensure that their activities are carried out in an ethical and legal manner.
- Meridia ensures that all employees are aware of and comply with the company's codes, policies, and other internal regulatory documents. Also, the Management Company respects the privacy of employees' data guarded by the company.
- Additionally, Meridia does not tolerate:
  - Violations and abuse of human rights.
  - Discrimination based on race, gender, sexual orientation, religion, or age.
  - Business practices considered generally unethical and unacceptable.

## Transparency & Communication

We understand disclosure and accountability as key parts of its governance framework. Our commitment to transparency is aligned with the Principles of Responsible Investment (PRI) and the SFDR. Thus, we annually elaborate the UN PRI Transparency Report and publish the present annual ESG Report, with the aim to disclose Meridia's treatment of sustainability risks and integration of ESG factors throughout the whole investment process.

We assume a commitment with our investors and society in general to inform them of ESG progress through our Responsible Investment Policy and the present ESG Report, posted and updated annually on our website.



## Portfolio Management

Effective governance is of outmost importance in portfolio management as it ensures transparency, accountability, and responsible decision-making. In addition, it allows us to understand governance risks and avoid compliance sanctions, as well as promoting a proactive approach to adequate business practices.

MGP	Meridia IV
100% assets with a Code of Ethics and /or Code of Conduct	0 significant compliance sanctions
0 significant compliance sanctions	0 complaints for Human Rights infringement or discrimination
0 complaints for Human Rights infringement or discrimination	



# About this report



**Meridia**

Transformative Investments

This sustainability report was prepared in 2023 and encompasses the period from January 1 to December 31, 2022. It has been released in July 2023 and includes relevant information that occurred as a post-period event during 2023.

This is Meridia's second sustainability report, building upon the initial release in February 2022. The purpose of this document is to provide an expanded version that showcases Meridia's current status, progress, and fosters transparency with our stakeholders. Please note that this report has not undergone an audit process. For a more comprehensive understanding of the financial information regarding the management company and its vehicles, we encourage you to refer to Meridia's separate annual or quarterly financial reports.

For further information, please contact:

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With the collaboration of:

**gosban** | reporting







Transformative Investments